

# Holy Name Medical Center

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Office of the President  
Michael Maron

March 12, 2019

Department of Health and Human Services  
Office of the National Coordinator for Health Information Technology  
Attention: 21st Century Cures Act:  
Interoperability, Information Blocking, and the ONC Health IT Certification Program Proposed  
Rule, Mary E. Switzer Building, Mail Stop: 7033A  
330 C Street SW  
Washington, DC 20201

To Whom It May Concern:

On behalf of Holy Name Medical Center, located in Teaneck, New Jersey, I am hereby submitting comments on the importance of greater transparency in our healthcare system as it relates to certain provisions of the 21<sup>st</sup> Century Cures Act.

In order to truly lower costs for consumers, we need greater transparency in the marketplace. The current healthcare market is a complex system of secret deals and discounts between insurance companies and healthcare providers. Specifically, the public should have the right to see which hospital systems and healthcare providers are driving higher costs.

On January 1, hospitals responded to CMS guidelines and posted their charge lists on their websites. While this mandate is well-intentioned, a hospital's charge information alone is woefully insufficient for a consumer to determine how efficiently their healthcare dollars are being spent because there is no consistency to how hospitals determine their charges. Every hospital's charge master is unique to that hospital, so consumers can't even compare Hospital A to Hospital B. Moreover, the price a hospital charges is largely meaningless as most consumers are never exposed to charges. Instead, the "charge" to the consumer is dictated by an insurer's benefit design and its secret negotiated rate.

For decades, insurance companies and powerful provider systems have succeeded in keeping their negotiated rates veiled from public view using non-disclosure agreements and restrictive contractual gag clauses. In a fee for service market, these unpublished rates contribute directly to sky-rocketing insurance premiums every year and have led to the proliferation of high deductible health plans in an effort to keep health care affordable. Ironically, the out of pocket outlay dictated by these plans is largely *unaffordable* for most consumers.

The Catalyst for Payment Reform, a group that grades states based on their price transparency policies, gave 43 states an "F." While there are several tools publicly available to help educate consumers on provider quality and safety, information about cost and reimbursement remains largely hidden. Unfortunately for the public, higher rates are typically the result of a healthcare system's size and market power and are not necessarily reflective of better quality or outcomes. In fact, many of the most cost-effective hospitals outrank more expensive providers on quality and safety measures. Shouldn't the public be made aware of this disconnect?

Because rates are typically predicated on market clout, there is wide variation in cost for the same service. According to a [national study](#) by George Washington University, a patient on a silver plan under the Affordable Care Act could be responsible for \$458 or \$56,000 for an appendectomy, depending on where the procedure takes place.

Given inexplicable price variations, it's no wonder that recent polls have shown that the majority of consumers support greater transparency in the healthcare market. A [national poll](#) conducted by the Robert Wood Johnson Foundation (RWJF) revealed that 69% of those surveyed want insurance companies to disclose what they pay physicians and hospitals for procedures. We wouldn't expect a consumer to shop for a new car or other major purchase without knowing the price, so how can we expect consumers to shop for healthcare when we allow insurers and providers to keep their reimbursement rates secret?

If we want to effectively lower the cost of healthcare, we need transparency and consistency on both sides of the equation. Rates paid by insurers to each contracted provider should be published so the public can see where precious healthcare dollars are being spent. Medicare and Medicaid need to comply as well.

And requiring transparency for insurers will not only reduce healthcare costs for consumers, it will also reduce tax dollars when implemented in public health benefits plan. For these reasons, we urge the Department to require greater transparency for insurers, providers and government agencies.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Maron", with a stylized flourish at the end.

Michael Maron  
President and CEO  
Holy Name Medical Center